As far as indirect taxes are concerned, the information is being collected and will be laid on the Table of the House.

(b) Yes, Sir.

(c) The Government has constituted Task Forces to develop and implement multi-pronged strategy for effecting substantial recovery from arrears of direct and indirect taxes. Further, so far as the direct taxes are concerned, steps taken include making it statutorily obligatory for the income tax Appellate Tribunals to decide such appeals, where stay has been granted, within 180 days of the date on which the stay order was passed; restricting the powers of the Commissioner of the Income Tax (Appeal) to set-aside a case or refer it back to the Assessing Officer for fresh orders; issuing comprehensive instructions for recovery of tax demand to the field units; raising the monetary ceilings in respect of various l-T authorities for exercising the powers to write-off of irrecoverable arrears; setting up of Special Units for recovery of outstanding tax dues, etc.

So far as indirect taxes are concerned, a special multi-pronged drive has been launched to recover the arrears. Special recovery cells are constituted in Commissionerates to monitor the recovery of arrears of Service Tax revenue. Further steps being taken include speedy action for recovery of realizable arrears of duty, monitoring cases before different Courts/Tribunals, moving petitions before Courts and other appellate authorities for early hearing and disposal of pending cases and expeditious disposal of cases pending with Commissioner (Appeals) etc.

(d) In view of reply to (b) and (c) does not arise.

Policies of banks towards rural people

3437. SHRI JESUDASU SEELAM:

DR. T SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry of Rural Development has expressed unhappiness over policies of banks towards rural people;

(b) whether Swamjayanti Gram Swarozgar Yojna of Government did not do well in some areas because of some bank branches;

(c) if so, whether the Ministry of Rural Development has approached the Finance Ministry to urge banks to provide liberal loans to rural poor; and

(d) if so, what is the reaction of his Ministry and banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) In the year 2003-04, out of 27 Public Sector Banks, 3 banks have exceeded their target and out of 19 Private Sector Banks, 7 banks have exceeded their target under Swarnjayanti Gram Swarozgar Yojna (SGSY). Convenor Bank for the State Level Bankers' Committee (SLBC) of the concerned State allots the financial targets under SGSY among the banks. A high level meeting with the Chairman and Managing Directors of select Scheduled Commercial Banks has been held at the Central Office of Reserve Bank of India, Mumbai on April 19, 2005 to review the position. The banks have reported some important reasons for their low performance under the scheme:—

(i) Inadequate sponsoring of applications by sponsoring agencies/District Rural Development Agencies;

(ii) Poor law and order situation;

(iii) Poor recovery of the earlier loans;

(iv) In some cases loans could not be disbursed despite follow up by the branches as the borrowers did not turn up; and

(v) Applications are submitted in bunches at the end of **the** financial year. The Government has advised the CMDs of all Public Sector Banks and Chairmen of Regional Rural Banks to ensure that the targets under SGSY are fulfilled and stern action be taken against the non-performing branches.

Central assistance for infrastructural development programme of North Karnataka

3438 DR. VIJAY MALLYA:
SHRI LALIT SURI:

Will **the** Minister of FINANCE be pleased to state:

(a) whether the state Government of Karnataka has submitted **any** proposal seeking central assistance for implementing **the** D.M. Nanjundappa Committee recommendations on regional imbalances;

(b) whether it is a fact that the State Government has requested the Planning Commission to meet half the expenditure suggested by Nanjundappa Committee; and